



**STRATEGY
RESEARCH
PROJECT**

The views expressed in this paper are those of the author and do not necessarily reflect the views of the Department of Defense or any of its agencies. This document may not be released for open publication until it has been cleared by the appropriate military service or government agency.

**AUSTRIA DURING THE COLD WAR
1955 - 1991**

BY

COLONEL PETER RESCH
Austrian Army

DISTRIBUTION STATEMENT A:
Approved for Public Release.
Distribution is Unlimited.

USAWC CLASS OF 2002



U.S. ARMY WAR COLLEGE, CARLISLE BARRACKS, PA 17013-5050

20020806 384

USAWC STRATEGY RESEARCH PROJECT

**AUSTRIA DURING THE COLD WAR
1955 - 1991**

BY

COLONEL PETER RESCH
AU ARMY

DR. SAMUEL NEWLAND
PROJECT ADVISOR

The views expressed in this academic research paper are those of the author and do not necessarily reflect the official policy or position of the U.S. Government, the Department of Defense, or any of its agencies.

U.S. ARMY WAR COLLEGE
CARLISLE BARRACKS, PENNSYLVANIA 17013

DISTRIBUTION STATEMENT A:

Approved for public release.
Distribution is unlimited.

ABSTRACT

AUTHOR: Colonel Peter Resch

TITLE: Austria during the Cold War 1955 - 1991

FORMAT: Strategy Research Project

DATE: 09 April 2002

PAGES: 34

CLASSIFICATION: Unclassified

Austria gained sovereignty and independence after World War II. The re-established small country of Austria inherited a long tradition and history. The political and cultural roots of the country, today known as Austria go back to the Austro-Hungarian Empire, the rule of the House of Habsburg, the family Babenberg and the ancient population of the area.

The strategic options for a small country, which was situated along the Iron Curtain, seem to be very limited. Additionally, Austria's status as neutral country, following the paradigm of Switzerland, should be considered in keeping with the State Treaty of 1955.

Surprisingly enough, Austria established its place in the international environment in three phases. First Austria normalized relations with its neighboring countries. In the 1970's Austria tried to play a co-leading role in the group of neutral and non-allied countries, in the process gaining an international reputation. In addition, Austria developed a unique system of area defense, in response to the superior forces of NATO and the Warsaw Pact. Finally, during the 1980's Austria focused more and more efforts towards Europe. Overall, Austria developed a healthy economy with high social standards from 1955 until the end of the Cold War.

TABLE OF CONTENTS

ABSTRACT	III
PREFACE.....	VII
LIST OF ILLUSTRATIONS.....	IX
AUSTRIA DURING THE COLD WAR 1955-1991	1
OVERVIEW OF AUSTRIA	1
THE ORIGIN OF AUSTRIA AND THE AUSTRO-HUNGARIAN EMPIRE.....	1
THE FIRST REPUBLIC	3
WORLD WAR II AND THE IMMEDIATE POST WAR PERIOD.....	5
A NEW START – THE SECOND REPUBLIC 1955.....	6
PERIOD OF RECONSTRUCTION.....	8
CONSOLIDATION - THE 1960's.....	10
GOING INTERNATIONAL - THE 1970's.....	12
THE ERA KREISKY.....	13
AREA DEFENSE SYSTEM.....	15
RE-ORIENTATION TO EUROPE - THE 1980's	16
END OF THE COLD WAR.....	18
CRITICAL COMMENTS AND CONCLUSION	19
ENDNOTES.....	21
BIBLIOGRAPHY.....	23

PREFACE

When future historians write about the Cold War, it will be only a short period in retrospective. Nevertheless, the period from 1947 to 1991 was a continuous struggle between social systems and different ideologies, manifested by the threat of military means. The two key players, the United States of America and the Union of Socialist States did not limit themselves to a direct confrontation. The Cold War was fought world wide, in Europe and in Africa, in America and Asia. The Cold War influenced all states in their relations to each other and dominated political life for decades.

In 1955, just after the beginning of the Cold War, Austria was re-established as a sovereign and democratic country in Central Europe along the borderline of the two military blocs, the Warsaw Pact and NATO. The Cold War influenced this re-establishment, influenced the political and economic development and also the military doctrine of Austria.

Despite the fact that the strategic options for a small country along the Iron Curtain seemed to be limited, Austria's strategic moves were remarkable. Austria established itself in the political Western hemisphere as a democratic country, earned international reputation in the 1970's and, in the later 1980's, again concentrated its efforts on Europe. Militarily Austria developed a unique system of area defense, a mix between conventional and unconventional warfare. The system guaranteed intensive mobilization of reserves, stockpiling of resources and offered a minimal chance to deter conflicts in the vicinity.

LIST OF ILLUSTRATIONS

FIGURE 1, AUSTRIA IN 996	1
FIGURE 2, AUSTRIA IN 1519	2
FIGURE 3, AUSTRIA IN 1726	2
FIGURE 4, AUSTRO-HUNGARIA IN 1918	3
FIGURE 5, AUSTRIA IN 1919	4
FIGURE 6, OCCUPATION ZONES, 1945.....	6
FIGURE 7, MILITARY THREAT 1955/1965	10
FIGURE 8, MILITARY MAIN THREAT	16
FIGURE 9, KEY ZONES (CONCEPT)	16

AUSTRIA DURING THE COLD WAR 1955-1991¹

OVERVIEW OF AUSTRIA

Today's Republic of Austria is a small country whose origins can be traced far back in history. The Federal Republic of Austria has a population of eight million and consists of nine provinces, Burgenland, Carinthia, Lower Austria, Upper Austria, Salzburg, Styria, Tyrol, Vorarlberg and the Capital Vienna. The country covers 32,000 square miles. The name Austria was used for different areas of Europe throughout history. Most common was the name for different possessions of the House of Habsburg. The name "Upper Austria" for example stood for the County Tyrol, Margravates Burgau, Landgravates Altdorf and Ravensburg, County Hohenberg and five independent towns. Additionally the names Inner Austria, Fore Austria and Lower Austria were used to describe different possessions of the House of Habsburg, each consisting of a variety of more or less independent power, self government or geographic position with the Habsburg empire.

ORIGINS OF AUSTRIA AND THE AUSTRO-HUNGARIAN EMPIRE

The Danube River Valley was settled as early as the Paleolithic Age, between 80.000 and 10.000 B.C. The Celtic population of Austrian territory originated in the first millennium B.C., when the Celts traded salt throughout Europe. Today's Austrian territory became part of the Roman Empire in the first century after Christ, and the provinces Raetia, Noricum and Pannonia were established as border regions with the German tribes of the North. After the collapse of the Roman Empire the region was settled by Bavarians, Slavs and Avars. Later Hungarians occupied territory back from the Carolingian March, established by Charlemagne in the 8th century.

In 976 the Bavarian Leopold von Babenberg was invested with a small area in the western part of today's Lower Austria, named "Ostarrichi" = Oesterreich = Austria.

FIGURE 1, AUSTRIA IN 996



The family Babenberg expanded its territory constantly, and in 1156 the family of Babenberg was able to transform its territory from a margravate to a duchy. In 1192 the family acquired Styria. After the death of the last Babenberg in 1246, Rudolf von Habsburg, newly elected king of the Holy Roman Empire of German Nations established the rule of the House Habsburg for more than 600 years. The Habsburgs expanded the territory by gaining Carinthia in 1335, the Earldom of Tyrol and the "Windische Mark" in 1365.

In 1526 the House of Habsburg united the kingdoms of Bohemia, Hungary and Spain with Austria. The House of Habsburg fought the Ottoman Empire several times and twice defended Vienna against the Ottoman forces in 1529 and 1683.

FIGURE 2, AUSTRIA IN 1519



The Spanish line of the Habsburgs died out in 1700. By an agreement in 1713, called the "Pragmatic Sanction", Maria Theresa was permitted to succeed her father Karl VI as empress of the "patrimonial lands", which were successfully defended against Prussia in the following decades.

FIGURE 3, AUSTRIA IN 1726



Napoleon's rise de-stabilized the Holy Roman Empire of German Nations. The Habsburg Franz II. resigned as "German Emperor" and became Austrian Emperor as a political result of Napoleon's successful Ulm-Austerlitz campaign in 1806. The Austrian Chancellor Prince Klemens v. Metternich, after Napoleon's defeat in 1815, tried to re-establish traditional Europe but was finally forced to resign following the revolutions at 1848, which engulfed most of Europe.

In 1867 the country was divided into two parts, an Austrian and a Hungarian, only sharing finance, defense and foreign policy. This division especially disappointed radical Slavic national groups, who wanted their identity recognized, and was one of the reasons for ethnic tensions in the late days of the monarchy.

FIGURE 4, AUSTRO-HUNGARIA IN 1918



The assassination of Archduke Franz Ferdinand in Sarajevo on June 28, 1914 by Serbian nationalists was the provocation for the outbreak of World War II. The entry into the war in 1917 by the United States finally destroyed the "old" order in Europe, and national states appeared, some created out of Habsburg territory.

THE FIRST REPUBLIC

"Deutsch – Oesterreich" or German – Austria, was declared a Republic on November 12, 1918. Local warfare continued in the South of the new republic, where the boundaries were disputed. The peace treaty of Saint Germain in 1919 resulted in territorial losses to the new republic. "Sudetenland" became a part of Czechoslovakia, the southern part of Styria went to Yugoslavia and South Tyrol to Italy. The western part of Hungary was finally ceded to Austria in 1921, as well as a large part of South Carinthia through a referendum under international control in 1920. As a result Austria had a new shape and new borders, which had never existed before.

FIGURE 5, AUSTRIA IN 1919



In 1920 the federal constitution was formulated, which after amendments in 1925 and 1929, remained in effect until 1995. One consequence of the Treaty of Saint Germain was the renaming of the country to Republic of Austria. Another consequence was the fact that Austria was not allowed to become a member of the "German Reich".

Both politically and economically, Austria's period of stability lasted only a short while. The right-wing "Heimwehr" and the left-wing "Republikanischer Schutzbund", para-military organizations of the political parties, polarized the country. In the 1930's the republic drifted into a precarious situation. The radical National Socialists became stronger due to the economic depression. In 1932 Austria had 600,000 unemployed citizens. The Parliament was suspended in 1934, due to a formal misact by the parliamentarians, and the government prohibited the Socialist Party in 1934. This resulted in a short civil-war, which was suppressed by military means. On July 25, 1934 a National Socialist coup d'etat was attempted but failed after several days of fighting. The chancellors Engelbert Dollfuss and Kurt Schuschnigg, with help of Italy and Czechoslovakia, tried to position Austria outside the German Reich, where Hitler had been chancellor since 1933. Hitler forced Schuschnigg to include National Socialist Party members in the government in February 1938 and finally ordered the occupation of Austria on March 12, 1938. Austria did not resist with military means, because it could not act on its own, and there was no international power to contest this action. Only Mexico, the Soviet Union, Chile and China protested the occupation, which was later "legalized" by a referendum. Austria had become part of the "Third Reich". immediately projects were initiated that minimized unemployment and resulted in a new infrastructure, such as the industrial complexes in Linz and Wiener Neustadt. In reality the majority of the Austrians welcomed the 1938 return to "normal" conditions where people had jobs and there was order in the streets.

WORLD WAR II AND THE IMMEDIATE POST WAR PERIOD

The impact of the Third Reich on Austria can not be detailed in this short overview. However, e.g. approximately 2,700 Austrians were executed, 67,000 Jewish citizens were deported, 16,000 Austrians perished in prison and 247,000 Austrians died serving the armed forces. 24,000 people were killed during bombing raids. The defeat of the Third Reich brought massive destruction to Austria's infrastructure.

After the end of the war Austria was occupied by the four Allied powers, which shared control over Austria. French Forces took control of the Vorarlberg province, and British Forces controlled the provinces of Styria, Carinthia and Eastern Tyrol. U.S. units occupied the province of Salzburg and parts of Upper Austria. The eastern and northern parts of the country, Burgenland, Lower Austria and parts of Upper Austria, were controlled by Soviet Forces. The Allies shared cooperated control over the capital Vienna, which had been conquered by Soviet units in April 1945.

FIGURE 6, OCCUPATION ZONES 1945



Immediately after the fall of Vienna, the Soviet Union set up an interim government headed by the former Austrian State Chancellor Karl Renner, a member of the Socialist Party. Later this government was accepted by all Allies. The separation of the country into four zones showed surprising results in the recovery of the economy, although the Soviet zone did not enjoy the benefits of the Marshall Plan². The importance of the Marshall Plan for Europe – and Austria – is undisputed. The help received under the auspices of the Marshall Plan was generous, and the reconstruction of Austria progressed surprisingly fast.

During this early reconstruction period, two principles for further development were established. The "social partnership", a negotiating body of representatives of employers and employees, was founded and assisted in avoiding tensions and strikes. Coalition governments successfully stabilized the domestic political scene and the economic conditions. Both overcame the strike of communist employees in 1950, attempting to seize power like behind the "Iron Curtain".³

Immediately after the end of World War II the ideological conflict between the Western World and the communist bloc severely threatened peace in Europe. The ideological contrast of both political systems was extreme. For communist ideology the fight against capitalism was fundamental and elementary. The fall of Czechoslovakia to communism and the blockade of Berlin in 1948, the Korea War 1950 - 1953, and the suppression of East Germany 1953 were clear illustrations of the new ideological conflict. The two ideologies formed military blocs in 1949, the North Atlantic Treaty Organization (NATO), and the Warsaw Pact.

In contrast to the years after World War I, there was no internal discussion about whether Austria should try to re-establish sovereignty as a republic. A reunion with Germany, a re-establishment of a monarchy, or similar topics, were not considered as options for Austria. All politicians, based on a broad emotional movement, agreed to reestablish the Federal Republic of Austria as one unity and nation. Perhaps this phase in history could be called the birth of modern Austrian nationality.

A NEW START – THE SECOND REPUBLIC 1955⁴

Austria negotiated with the World War II Allies for the re-establishment of sovereignty. The fact that the Cold War had already started, made the negotiations difficult. The Truman-Doctrine, formulated in 1947, established the U.S. policy to contain the Soviet Union.⁵ The foundations of NATO and the Warsaw Pact, that had been established in 1949, added more complications to the negotiations. In fact in 1954 the negotiations nearly came to an end in Moscow. The decisive factor which resulted in the continuation of the negotiations that led to the "State Treaty of 1955"⁶ was the Austrian offer of permanent neutrality.⁷ That offer opened the way for an agreement and Austria's status as a neutral country was later adopted in a constitutional act enacted on October 26, 1955. Whether such an agreement would have been possible without the death of Soviet Union General Secretary Stalin is not quite clear even today. The State Treaty of 1955 re-established Austria as a sovereign, independent and democratic state. The Allies, consisting of the Union of the Soviet Socialist Republics, the

United Kingdom of Great Britain and Northern Ireland, the United States of America, and France, signed the treaty consisting of nine parts, 38 articles and two annexes with Austria in Vienna on May 15, 1955.

In Article Two of the State Treaty's first part, the Allies expressed their respect for the Austrian independence and territorial integrity. Article Three foresaw the recognition of Austria by Germany. Article Four explicitly forbade Austria and Germany to form a future political and economic union.. Article Six referred to Human Rights and Article Seven protected the accepted minorities in Austria – Slovenians and Croats. Article Eight established fundamental democratic rights. Article Nine referred to Nazi-organizations, Nazi-property to the rightful owners and Nazi-activities. In part two of the State Treaty the Allies limited Austria's arms purchases and excluded former Nazi higher ranking officers from military service. The Allies agreed to withdraw from Austria not later than December 31, 1955. A considerable amount of the State Treaty dealt with economic relations, return of Nazi-property, and claims for material and property, which had to be handed over to the Soviet Union. For the Austrian Armed Forces the treaty limitations on purchasing or manufacturing of war material were crucial and decisively influenced the Austrian Armed Forces in strategic and operational matters during the Cold War. Austria's right to provide for defense, however, was recognized by the treaty and was embodied in the National Defense Act on September 7, 1955. Despite the limitations mentioned, the Austrian Army would be based on universal conscription.

The status of neutrality was not legally connected with the State Treaty of 1955, but was a logical step given agreements with the Allies. The already sovereign country had previously decided to be neutral in accordance of the paradigm of Switzerland. On October 26, 1955, the Austrian parliament agreed unanimously to the federal constitutional act, a Neutrality Act. Article One of the act states, "For the purpose of the permanent maintenance of her external independence and for the purpose of the inviolability of her territory, Austria of her own free will declares herewith her permanent neutrality, which she is resolved to maintain and defend with all the means at her disposal. In order to secure these purposes Austria will never in the future accede to any military alliances nor permit the establishment of foreign bases on her territory."⁸ This act was later sent to all countries with whom Austria had diplomatic relations in 1955 to notifying them of Austria's policy. Subsequently Austrian politicians and the public have always regarded Austrian neutrality as an obligation to defend the country militarily and to follow a neutral foreign policy.

PERIOD OF RECONSTRUCTION

The period immediately after World War II was not only the Cold War era, it was also a period of de-colonization. As a matter of fact the Cold War, which developed in traditional nations, also occurred around the globe in the newly de-colonized countries. This was especially true in states which were bridging between different regions of the world, e.g. the Republic of Sudan between "Arabic" and "Black" Africa.⁹ A very specific dimension of the confrontation between West and East was terrorism, which initially served as a warfare of ideology, but later on extended to all kinds of liberation wars and religious struggles.

In a global sense, Austria was influenced by nearly all developments of the Cold War. Some of the developments, however, were more influential than others such as the foundation of NATO and the Warsaw Pact. They were more influential since they occurred in the immediate vicinity of Austria.

In the years following the signing of the 1955 state treaty, Austria tried to define its relationship with the Soviet Union. The Soviet Union returned the Porkalla Peninsula to Finland in January 1956. After this event The Soviet Union and Finland established a special relationship. This relationship was always used as an example for Austrian politicians in their relations with the Soviet Union. Therefore the term "Finlandization" was used in Austria's political scene.¹⁰

Tensions between Austria and the Soviets were raised when the freedom movement in Hungary under Imre Nagy was suppressed by Soviet military means in the year 1956. This military intervention led to a very large wave of emigrants into Austria and a communist regime in Hungary under Janos Kadar. Main elements of the Austrian Armed Forces (AAF) were deployed along the border with Hungary for the first time in the newly established Second Republic.

In 1957 the European Economic Community was established in the treaty of Rome, which included the most important trade partners of Austria. In the same year Khrushchev became Prime Minister in the Soviet Union, replaced by Leonid Brezhnev in 1964 as First Secretary of the Communist Party and Aleksei Kosygin as Prime Minister.

France successfully exploded a nuclear device in 1960. This propelled France as a significant power in Europe. In the end of the Cold War Austria established intensive links to France as one of the leading states within the European Union.

The first post war government had been formed in coalition talks between the two strongest parties in the country, the socialist and conservative, representing almost 90% of the voters. After independence, the two parties agreed to continue a very unique form of non-

governmental cooperation – social partnership. The Chambers of Labor, of Commerce and Trade, of Agriculture and others, as well as the Association of Unions worked together in a semi-official Parity Commission on Wages and Prices, founded in 1957. This board functioned as a balancing institution between employers and employees and sorted out essential disputes. Additionally this board assisted the government in all economic matters. Austria remained free of major strikes and guaranteed a zone of social peace and trust to all investors.

Austria quickly became a member of international institutions and organizations such as World Bank, General Agreement of Tariffs and Trade or the United Nations on 15 December 1955. Austria's international commitments demonstrated an entirely different approach to neutrality than Switzerland's.

Its first initiative on the international stage was the bilateral negotiations regarding the status of South Tyrol with Italy. After World War I Tyrol had been split, with the southern part going to Italy in 1919. In 1946 the ministers for foreign affairs of Austria and Italy signed the "Gruber-De Gasperi-Agreement", guaranteeing certain rights to the German speaking South-Tyroleans.

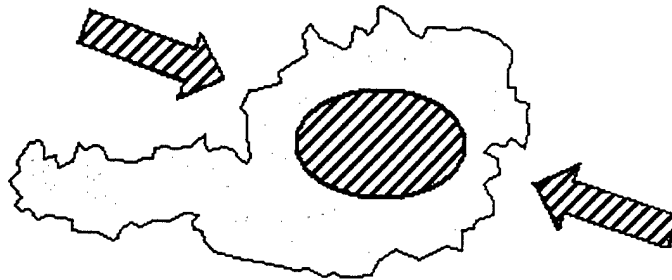
The period of reconstruction started immediately after the end of World War II. Based on the common goal of recovery, all political parties closely cooperated during the 1950's and 1960's. After becoming independent, Austria tried to balance the growing developmental inequities between the Soviet and Western Allies' occupied areas. The difference was most significant along the demarcation line between U.S. and Soviet controlled areas in Upper Austria. A second initiative was the drive to improve the infrastructure, especially roads and railways. In the late 1950's the work started on the highways from Vienna to Salzburg and to the southern provinces. A third effort was to make the federally owned, heavy industrial complex, specializing in iron and metal based products, profitable again. Based on these initiatives, Austria rapidly reached steady growth in its economic development. Dominating factors for this positive economic development were the country's neutral status along the Iron Curtain, a stabilized foreign policy between the blocks in the Cold War and traditionally, good economic and political connections, especially with countries in Eastern Europe,

The basis for the independent Austrian Armed Forces (AAF) was laid by the Western Allies. In their occupation zones they founded "Bundesgendarmerieschulen"¹¹. The council of ministers agreed on the establishment of the AAF at January 11, 1956. Instead of the planned strength of 60,000 soldiers, only 40,000 personnel were available, organized into three army corps and a total of nine brigades. Most of the equipment for the AAF was donated by the World War II Allies. Slowly new equipment was purchased. On February 1, the first trainees

were called up. Shortly thereafter the AAF was deployed to protect the border with Hungary, during the Hungarian Revolution, and to deal with a huge wave of refugees.

The threat assessment for the AAF was dominated by the two alliances in the vicinity, NATO and the Warsaw Pact¹². Additionally possible tension in Yugoslavia was considered as having a possible military impact in the southern provinces, Styria and Carinthia. The strategic assessment considered three possible threats to Austria,¹³ a direct attack, a crisis in the neighborhood and a challenge to Austrian neutrality.

FIGURE 7, MILITARY THREAT 1955/1965



The opposing powers forced the AAF to develop a concept based on a delaying operation. The principle idea was to

- deter a threat through deployment along the border

- delay an attack as long as possible

- retain as much territory as possible under military control for political negotiations.

Herewith was assumed that political negotiations after a military confrontation in Europe would have partners.

CONSOLIDATION - THE 1960's

Once Austria had established itself as a free and democratic nation, it entered a period of consolidation. Globally, the Cuban Missile Crisis and the assassination of U.S. President Kennedy were significant developments in that period. The highest impact on Austria in this period was the 1968 Prague Spring in the Czechoslovakian Federal Republic. When Alexander Dubcek replaced Antonin Novotny as First Secretary of Czechoslovakia's Communist Party, he attempted to establish more freedom for his country. This resulted in the occupation of Czechoslovakia by its Warsaw Pact Allies. The "Brezhnev-Doctrine" limited the right of socialist countries to determine their own way to achieve real communism. The Warsaw Pact intervention in 1968 led to a permanent stationing of Soviet units in Czechoslovakia, later known

as Central Group of Troops, with a strength of one army. This presence drastically changed the strategic-military environment of Austria.

The 1968-movement in France and Germany strongly influenced the Austrian domestic policy and finally opened the way to leave the traditional domestic political style of coalitions.¹⁴ The ideas of this school would dominate the social and political mindsets of the politicians of the 1980's and 1990's.

In the 1966 election, the Austrian Conservative Party won the absolute majority in parliament.¹⁵ The negotiations with the historical partner, the Socialist Party, failed and for the first time in the Second Republic a one-party government was installed.¹⁶ The social partnership was maintained as a platform to settle on disputes before escalation. A practical result was that strikes were unknown in Austria. This again supported economic foreign engagement and investment.

Austria benefited from the 1960's economic upswing in Europe, which especially favored Germany. Similar to Germany, this development was called "Kleines Wirtschaftswunder", the little economic miracle. The national labor force was increased by thousands of "Gastarbeiter", temporarily employed people mainly from Yugoslavia. The majority of them, approximately more than 300,000 stayed in Austria as permanent residents.

The conflict with Italy over South Tyrol escalated after some amendments of the Italian constitution¹⁷. Several bombings and demonstrations in South Tyrol, and Italian complaints led to a border survey and border protection mission for the AAF. In 1969 the "South Tyrol package" was finally agreed and paved the way to a settlement, which Austria declared to the United Nations in 1992.

All threat estimates revealed the numerical inferiority of the AAF compared with forces in the vicinity. It became more and more obvious that the AAF would never be able to resist a concerted attack for a long period. Therefore the political system very quickly saw the AAF only as an international obligation of a neutral state, but a force not capable of a lasting defense. Subsequently the budget was reduced to maintaining the necessities. The reorganization of the AAF reduced the organizational structure to seven brigades. The Air Force was integrated into the army. Equipment was renewed slowly. An Austrian produced Armoured Personnel Carrier (APC) increased the mobility, as did new medium trucks. Air defense remained a serious deficiency due to the lack of fighters and anti aircraft missiles.

The political establishment saw the AAF as an instrument of an active international foreign policy. When the Congo crisis occurred, the United Nations asked Austria to participate. The chancellery, in favor of such a chance to gain high international reputation, debated several

days with the Ministry of Defense, which believed that the AAF was in no respect prepared for service abroad. After several consultations, the government decided to follow the international invitation. This was the beginning of a long commitment of AAF personnel in Peace Keeping Operations. Through the following decades Austrian participation in Peace Keeping Operations became the main opportunity for soldiers to serve in an international environment. The Austrian Armed Forces encouraged all personnel willing to serve within UN-contingents, well aware of the advantages of getting experience and expertise for the overall Forces. Nevertheless, the Austrian military UN commitment mainly supported the foreign policy of the country. It was used as an important element shaping the reputation as a member of the neutral and non-aligned states ("N&N-group") between the Western and Eastern bloc.

The Austrian participation in UN-led Peace Keeping Operations started with, Operations des Nations Unies au Congo (ONUC).¹⁸ Between December 11, 1960 and September 18, 1963 a total of 166 Austrians served in a Field Hospital. Prior to the deployment of medical personnel, a lengthy domestic discussion occurred and the principle of "absolutely voluntary individual participation" was established. However, the legal foundation for service abroad was laid down in 1965. The Congo Mission was followed by a commitment of Austrian soldiers to Cyprus in 1964. Within the United Nations Peace Keeping Force in Cyprus (UNFICYP) between 1964–1973 Austria contributed a Field Hospital, Civilian Police were supplied between 1964 – 1977, a Medical Center 1973 – 1976, and a Light Infantry Battalion from 1972 until 2001. In 1967 the first personnel were deployed to UNTSO, the United Nations Truce Supervision Organization in the Middle East.

Despite international successes and earned reputation as excellent peace keeping soldiers with modern equipment, the strength of the AAF as well as the readiness remained unsatisfactory. This problem led to a rethinking of the risk assessment and the proper Austrian operational options. Basically, the main military threat for Austria was defined outside the country. The country itself offered none of the military alliances any advantage since the strategic and operational objectives for both alliances lay clearly within the opposing pact territories. A war in Europe was considered as possible only in connection with NATO and Warsaw Pact.

GOING INTERNATIONAL - THE 1970's

On July 3, 1973 the Conference on Security and Co-operation, CSCE, later the Organization on Security and Co-operation (OSCE), in Europe was opened in Helsinki, Finland.

From the beginning this co-operation meant for Austria a chance of peaceful co-existence and offering opportunities for arms control and confidence building measures. The Helsinki Final Act on August 1, 1975 marked the Austrian hope of a new platform for European related security problems based on the Charter of the United Nations.¹⁹ Such an organization met exactly the needs of the Austrian position as neutral country along the Iron Curtain – increased stability, consultation procedures, arms control mechanism, offer of good offices, diplomatic platform, and so forth.

At the onset of the 1980's Ronald Reagan's election as President of the United States of America opened the way for a new American strategy versus the Soviet Union.²⁰ His comprehensive strategy towards high technology and advanced approach to military equipment, highlighted in the Strategic Defense Initiative, raised the costs of maintaining the military balanced into new dimensions. As one of the consequences Austria was very soon confronted with an arms race between the opposing pact systems.

THE ERA KREISKY

As the events mentioned were occurring, in 1970 the Socialist Party won the elections to the parliament. The Secretary of the party, Bruno Kreisky, a former minister of foreign affairs, led his party in the election campaign. This result of the elections was twofold remarkable. For the first time a socialist government was in charge and, after coalition talks had failed, this government had no majority in the parliament. Additionally, Kreisky won the campaign using very popular slogans like "Eight months service for conscriptions is enough!"²¹. Kreisky's cabinet failed after one year. In 1971 Kreisky achieved a majority in his second campaign and established a long term for his party.

The era Kreisky was dominated by a very active foreign policy. Kreisky, using his contacts with the Swedish Prime Minister Olaf Palme, the Yugoslav leader Tito and other socialist politicians, positioned Austria as a major participant among the neutral and non-aligned countries. The greatest illustration of Austria's new profile was the election of Kurt Waldheim as UN Secretary General in 1971, and his reelection in 1976. Kreisky's vision was to create and maintain an atmosphere of communication with everybody. Thus, he often met with the Palestinian leader Arafat and the Libyan revolutionary leader Qaddafi. His understanding of security was based on an active foreign policy. The military, among others, was in support of the foreign policy. Keeping in mind the example of neutrality practiced by Finland, Austria maintained a strict militarily neutral course, politically sympathizing with the West and strongly engaged in United Nations efforts. Security policy became a public issue. Austria's security

policy foresaw two main objectives based on the neutral status and an active international commitment:

Maintaining peace and democratic freedom

Keeping out of any armed conflict

The values of external independence, territorial integrity, strengthening peace on both regional and global basis, and a highest possible living standard were considered as most important. Austria considered energy supply, raw materials, human rights and terrorism as the main security issues. Consequently the Austrian security policy included foreign policy, measures for internal stability, and a comprehensive national defense.

In the 1970's Austria started to build up a highly sophisticated social welfare system. Based on socialism, access to the entire school system became free of charge. Economically weaker citizens received more and more public support. The private construction of apartments and houses was generously financed by the provinces. All Austrians got free or cheap access to the private and public medical care system. Almost all Austrians positively participated in this development. Perhaps, this could be used as one explanation why Kreisky became more and more popular. Another reason was his engagement to fight unemployment. The Kreisky cabinet invested many efforts in creating jobs. Keeping the structure of federal owned industries, supporting these companies with direct and indirect subsidies and maintaining high social standards led to a high government debt.

During the Kreisky era, there was an ongoing discussion about Austria's defense policy which resulted in the development of the Area Defense System. On 10 June 1975 Comprehensive National Defense (CND) was unanimously incorporated into the Federal Constitution. The CND was the political back up for the military concept of area defense, settled by the Parliament on 10 June 1975, as guiding principle of administration. The federal law states, " Austria declares her commitment to the concept of CND. Its objective is to preserve Austria's external independence as well as the integrity and unity of the territory, in particular for maintaining and defending her permanent neutrality. This includes also the obligation to protect and defend the institutions established by the Constitution and their capacity to act as well as the democratic liberties of the population against forcible attacks. CND comprises military, psychological, civil, and economic defense. Every male Austrian citizen is liable to military service. He who objects to rendering such service and is relieved thereof shall render alternative service."

The Parliament, particularly the National Defense Council as an advisory body of the government, started discussion on a National Defense Plan in April 1976. Finally, the National Defense Plan was unanimously adopted by the parliament on March 22, 1983.

A very challenging situation for the Austrian military occurred in 1973. On the request of the United Nations, Austria doubled the strength of its units serving abroad within the matter of a few weeks. The burden of recruiting, training and equipping additional personnel was mastered by using the Austrian battalion in Cyprus as a parent unit. The additional infantry battalion was basically formed up in Austria, emerged with the parent unit in Cyprus and transferred to Egypt, where it served within the Second United Nations Emergency Force, UNEF II. After serving along the Suez-Canal and the Sinai-peninsula 1973 – 1974, this unit moved to the ceasefire line between Israel and Syria at the Golan Heights, becoming part of the United Nations Disengagement Force (UNDOF).

AREA DEFENSE SYSTEM

The military aspect of the new developed security policy and CND was called area defense. The following principles characterized the system:

- Defensive orientation of the military structures

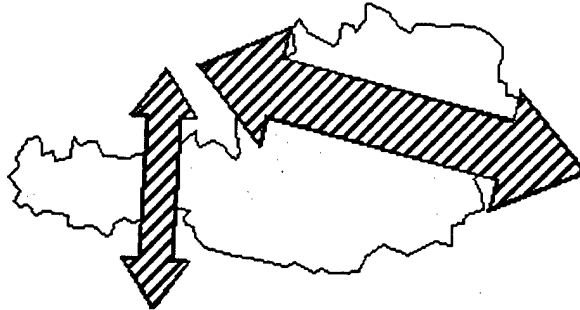
- Defense limited to the territory of Austria

- Universal conscription

- Mobilization

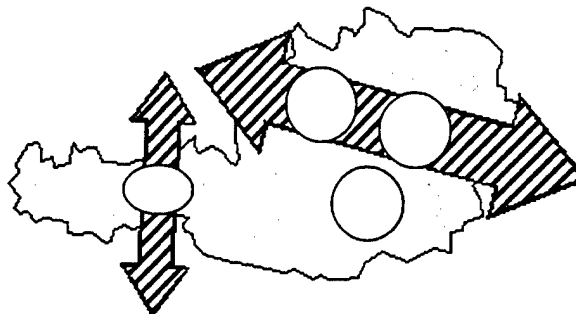
The system of Area defense assessed the threats to the integrity of Austrian territory in the light of targets within the border of Austria versus targets outside Austria. Such an evaluation resulted in the understanding that Austria would become a target for a military attack only during a European confrontation of the alliances. The detailed analysis did not see any advantage for either alliance to attack Austrian territory exclusively. In a European confrontation²², the resources of Austria seemed to be strong enough to defend large parts of the country and additionally to deter the partial occupation of territory by one of the military pact systems. The scenario objectives sought to deny passage through Austria by any foreign force and to maintain the territorial integrity in case of local threats.

FIGURE 8, MILITARY MAIN THREAT



Subsequently covering and security missions to fight low-level threats such as subversion and terrorism were applied. If, however, the whole territory or large parts of it were threatened, Austria planned to employ combat methods designed to defend along anticipated enemy lines of advance, called key zones, and to cover the remaining territory, named security zones.

FIGURE 9, KEY ZONES (CONCEPT)



RE-ORIENTATION TO EUROPE - THE 1980's

Events in Europe during the 1980's would cause Austria to re orient its defense efforts to Europe. Massive strikes in the Lenin shipyard in Gdansk, Poland, led to final official recognition of the union "Solidarity" in 1980. General Jaruzelski took power in Poland and announced martial law. Subsequently many Poles used Austria as a conduit for emigration during the next

years. On July 25, 1989 the Polish President Jaruzelski, elected on July 19, invited Solidarity to join the government coalition. This was another keystone in the development of a country with excellent relations to Austria.

In 1989 the Hungarian parliament allowed freedom of association and freedom of assembly and permitted the formation of independent political organizations and parties. Later the Hungarian Communist's Central Committee endorsed a multiparty system and approved a new constitution. The withdrawal of Soviet troops was announced beginning April 25 and ending late in June. This announcement totally changed the political landscape and the Austrian security environment.

All of this was possible without Soviet interference because after Andropov's and Chernenko's short reigns of approximately one year each, Mikhail Gorbachev became First Secretary of the Soviet Communist Party at March 11, 1985.

Bruno Kreisky resigned as Chancellor in 1983 but his socialist party continued in power. The main opposition party, the Conservatives, slowly engaged in foreign policy. Its secretary since 1979, Alois Mock, a former diplomat and minister for education, steered the main focus of his party towards Europe, a European integration and an Austrian membership to the European Common Market. As Vice Chancellor from 1987 to 1989 and as a minister for foreign affairs from 1989 until 1995, he re-shaped the Austrian foreign policy towards the major European countries, namely France and Germany. In 1989, all political parties in parliament finally agreed to apply for European Union membership. The negotiations with Brussels started in the same year. The principles of the economic system, as described before, remained untouched until the late 1980's. Besides this economic development, all achievements were bought by increased taxes and fees. Such high taxes were a contradiction to the social stability in the country with respect to private economic investments. Until the 1990's, the public-owned industrial complex was very high compared to similar countries in Europe.

The Austrian Armed Forces (AAF) concentrated on the continuation and ongoing implementation of the area defense system. The organizational framework consisted of one mechanized division, one air division, eight independent infantry brigades and several dozens of independent battalion sized units. The overall strength of the AAF after mobilization had already reached almost 200,000 personnel and was forecasted for 300,000 personnel. More than 300 fortresses along the main lines of communications and anticipated enemy avenues of advance were already in place at the end of 1989. Austrian personnel continued to serve within United Nations. Officers worked as part of the United Nations Inspection Team in Iran and Iraq (UNIT)

and from 1984 to 1989 in the United Nations Iran-Iraq Military Observer Group (UNIIMOG). The United Nations Good Offices Mission in Afghanistan and Pakistan, UNGOMAP and OSGAP, was supported with Military Observers 1988 – 1990, and up to 50 policemen served within United Nations Transition Assistance Group (UNTAG) in Namibia 1989/90.

END OF THE COLD WAR

On September 10, 1989 Hungary opened its border with Austria, permitting thousands of citizens of the German Democratic Republic to emigrate. Most of the German refugees transited directly to the Federal Republic of Germany, and only a few stayed in Austria or immigrated to other countries. Gorbachev renounced the Brezhnev-Doctrine on October 25, 1989. After the fall of the Berlin-Wall on November 9, and the re-opening of the border between both German States, Gorbachev at the Malta-summit with U.S. President Bush (December 1-3), said that “the characteristics of the Cold War should be abandoned”. The fall of the wall ended the transit of Germans from East to West via Hungary and Austria.

The rapid collapse of the various communist regimes in Bulgaria, Czechoslovakia, Hungary, Romania, Poland and the re-unification of Germany were followed by similar developments in Albania. The formal end of the Warsaw Pact on July 1, 1991 was followed by Gorbachev's announcement on December 17, that the central government of the Soviet Union would cease functions at the end of 1991. Several attempts failed at re-establishing the central power. On December 25, 1991, the replacement of the Soviet flag by the Russian flag over the Kremlin was the symbol for the close of a troubled period – the Cold War was over.

In that period Austria strongly engaged in the relationship to the neighboring countries. First contacts later led to the founding of Alpe-Adria, consisting of regions and provinces in Italy, Germany, Slovenia, Croatia and Austria. Main goal of this group was the creation of a platform for solving common problems. Another initiative included Hungary and Czechoslovakia for the cooperation of traffic problems on the roads, railways and the Danube River. All these contacts, including traditionally good contacts to Germany, helped to master the situation of emigrating Germans via Hungary and Austria to the West. When Hungary opened the border for the German emigrants, however, Austrian authorities were surprised. Customs control officers and quick alerted police units handled the situation without any problem.

Economically Austria started to de-regulate the domestic market and to privatize public owned enterprises. Additionally, the national air carrier Austrian Airlines, Lauda Airlines and

Tyrolean Airways received authority to regularly operate from destinations in Austria. Privately owned radio stations got permission to broadcast. Prices for basic food were deregulated.

Although the Cold War was ending, the AAF began with a modernization program to increase efficiency of the area defense system. New M109A5 howitzers were ordered in the United States. Second hand Centurion main battle tanks, purchased from the Netherlands, were dismantled and the guns used for fortress armament. In 1991, the strength of the operational available reserve army exceeded 250.000 soldiers. The fall of the Iron Curtain changed the strategic environment of the AAF. The concept of area defense was obsolete.

CRITICAL COMMENTS AND CONCLUSION

Austria's progress after World War II was remarkable. Economic growth, social stability and the development of a political self-understanding made well-being possible. Neutrality and deterrence both were dominating strategic factors. In comparison to the years after World War I, post World War II citizens believed in the independent republic Austria.

Three aspects make Austria's development unique after 1955. Firstly, neutrality became dominating factor for the foreign and security policy. Moreover, neutrality became part of Austria's identity. Secondly, social partnership guaranteed internal stability, steady economic growth and the achievement of very high social standards. Thirdly, the system of area defense made it possible for AAF to develop a defensive strategy in the vicinity of NATO and Warsaw Pact with at least, a chance of success. However, despite the defensive character of the AAF during the 1980's, the strength of the AAF reached the highest number in history. The strategic concept of area defense had a price. The AAF lost operational freedom, operational initiative, although the system itself had limited credibility. The credibility fully existed only along a line of advance East-West/West-East, because of the geographic, existing operational depth.

It is obvious that Austria's strategy during the period of the Cold War consisted of three phases. In the 1950's and 1960's the country recovered from World War II and developed a steady economic growth. The perspective was centered on domestic development. The relationship with the neighboring countries became normalized.

In the seventies Austria achieved to a certain degree, considering the size and power of the country, a high reputation in the international arena. For the first time all strategic means, but mainly foreign policy, defense policy and economy followed a shared vision, supported by a strong psychological movement of identity.

The eighties brought Austria back to Europe. The "home" of Austria was seen in Europe as consequence of economic ties, political reality and limited options to continue an important role internationally.

WORD COUNT = 7,672

ENDNOTES

¹ Norman A. Bailey, The Strategic Plan that won the Cold War, National Security Decision Directive 75, second edition (The Potomac Foundation, McLean, Virginia, 1999), 3.

² Diane B. Kunz, The Marshall Plan Reconsidered, (DNSS, Course 2, War, National Security Policy & Strategy, Volume I, U.S. Army War College, Carlisle Barracks, Academic year 2002), 418.

³ Ernest May, editor, Introduction: NSC 68: The Theory and Politics of Strategy, (DNSS, Course 2: War, National Security Policy & Strategy, Volume III, U.S. Army War College, Carlisle Barracks, Academic year 2002), 158.

⁴ "Second Republic", in the common understanding, means Austria after 1945; on the contrary "First Republic" means the state between 1918 and 1938, before the German Third Reich occupied Austria.

⁵ <http://www.state.gov/www/regions/eur/nato/origins.html>, The Origins of NATO, (DNSS, War, National Security Policy & Strategy, Volume I, U.S. Army War College, Carlisle Barracks, Academic year 2002), 385.

⁶ Federal Law of Austria, State Treaty for Re-establishment of an Independent and Democratic Austria (BGBl 152/1955)

⁷ Federal Press Service, Facts and Figures (Federal Chancellery, Vienna, 2000), 59.

⁸ Ministry of Defense, Prepared for Austria, (BMLV R13572, Wien)

⁹ Edgar O'Balance, Sudan, Civil War and Terrorism, 1956-99 (McMillan Press Ltd, Houndmills, Basingstoke, Hampshire RG21 6XS and London, 2000), 25.

¹⁰ Finlandization has a negative meaning with the political West. It means neutrality but under the influence of a dominating neighbor. In the case of Finland, the neighbor was the Soviet Union.

¹¹ Bundesgendarmerieschule: "Federal Rural Police Training School"; based on the Austrian tradition of a police corps, called Gendarmerie, recruited of retired professional soldiers in the second half of the 19th century to increase public security in the rural area. Five "Training Schools", light infantry units in strength of battalions, equipped with light arms, were established by the Western allies in 1951.

¹² MG Horst Pleiner, Die militaerstrategische Lage Oesterreichs – Rueckblick, aktueller Stand und Ausblick, <http://www.bmlv.gv.at>.

¹³ Bundesministerium fuer Landesverteidigung, Bericht der Bundesheerreformkommission, (BMfLV R4114, Wien, 1970), 7.

¹⁴ Chronik Verlag, Chronik des 20. Jahrhunderts, (Bertelsmann Lexikon Verlag GmbH, Berlin, Muenchen, 1999), 425 and 427. 1968-generation means the movement especially among students, based on socialism ideals, to overcome the contemporary establishment.

¹⁵ Austrian Conservative Party, Oesterreichische Volkspartei (OeVP, Austrian Peoples Party)

¹⁶ Socialist Party, Sozialistische Partei Oesterreichs (SPOe, Socialist Party of Austria)

¹⁷ The amendment of the Italian constitution reorganized the administrative borders of the provinces. Therefore the South-Tyroleans became a minority in the newly established province of Trento-Bolzano”

¹⁸ Erwin A. Schmidl, In the Service of Peace (Austrian Medien Service, Graz, 2001), 106.

¹⁹ Charter of the United Nations, Chapter VIII, Regional Arrangements, Article 52, 53 and 54 (DNSS, Course 2, War, National Security Policy & Strategy, Volume 1, U.S. Army War College, Carlisle Barracks, Academic year 2002), 101.

²⁰ See endnote 1, National Security Decision Directive (NSDD) Number 32, 41; NSDD 45,49; NSDD 11, 55; NSDD 54, 59 and NSDD 66, 65.

²¹ Until 1970 the service duration was nine months, including two weeks of leave, a total of 34 weeks. In 1970 Kreisky initiated the change of the service length to six months active duty and sixty days reserve duties, a total of 32 weeks.

²² John G. Hines, Soviet Operations in Europe: Planning for surprise and encirclement, in The Soviet Military Challenge, edited by Brian MacDonald (The Canadian Institute of Strategic Studies, Toronto, 1987), 82.

BIBLIOGRAPHY

- <<http://www.state.gov/www/regions/eur/nato/origins.html>> The Origins of NATO, DNSS, Course 2, War, National Security Policy & Strategy, Volume 1, U.S. Army War College, Carlisle Barracks, Academic year 2002.
- Bailey, Norman A., The Strategic Plan that won the Cold War. second edition, The Potomac Foundation, McLean, Virginia, 1999.
- Bundeskanzleramt, Praesidium. Landesverteidigungsplan. Oesterreichische Staatsdruckerei, Wien, 1985.
- Bundesministerium fuer Landesverteidigung. Bericht der Bundesheerreformkommission. BMfLV R4114, Wien, 1970.
- Duic, Mario. Die unbewaeltigte Landesverteidigung, System und Verantwortung, Maengel und Chancen. Verlag Styria, Graz-Wien-Koelln, 1977.
- Federal Law of Austria. State Treaty for Re-establishment of an Independent and Democratic Austria, BGBl 152/1955.
- Federal Press Service. Facts and Figures. Federal Chancellery, Vienna, 2000.
- Frankel, Benjamin, editor. The Cold War 1945 – 1991. volumes 1 - 3, Manly Inc. Book, USA, 1992.
- Gaddis, John, Lewis. We know now – Rethinking the Cold War History. Clarendon Press, Oxford, 1977.
- Kunz, Diane B., The Marshall Plan Reconsidered, DNSS, Course 2: War, National Security Policy & Strategy, U.S. Army War College, Carlisle Barracks, Academic year 2002.
- MacDonald, Brian, editor. The Soviet Military Challenge. The Canadian Institute of Strategic Studies, Toronto, 1987.
- O'Balance, Edgar. Sudan, Civil War and Terrorism, 1956-99. McMillan Press Ltd, Houndmills, Basingstoke, Hampshire RG21 6XS and London, 2000.
- Rauchensteiner, Manfred, publisher. Das Bundesheer der 2. Republik. Oesterreichischer Bundesverlag, Wien, 1980.
- Schmidl, Erwin, A. In the Service of Peace. Austrian Medien Service, Graz, 2001.
- Spannocci E. & Brossolet, Das Ende der Schlacht. Verlag Hansa, Muenchen, 1976/77.
- Wille, Sepp. Jedem das Seine, Anstoesse. Verlag Oesterreich, Edition Juristische Literatur, Wien, 1996.